

MRD 12-23-99

01-21-2000

FOKM PTO-1594  
(Rev 5-93)

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office



101249021

To the Honorable Commissioner c

ginal documents or copy thereof.

eiving party(ies):

1. Name of conveying party(ies):

MERLOT COMMUNICATIONS, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: DELAWARE

Other:

Additional name(s) of conveying party(ies) attached? [ ] Yes [X] No

3. Nature of Conveyance:

- [ ] Assignment [ ] Merger
- [X] Security Agreement [ ] Change of Name
- [ ] Other

Execution Date: December 7, 1999

Name: IMPERIAL BANK

Address: 226 AIRPORT PARKWAY

City: SAN JOSE State: CA Zip: 95110

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other: a California chartered bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: [ ] Yes [ ] No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? [ ] Yes [x] No

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)

75/737,889

75/636,040

75/636,038

75/777,051

B. Trademark Registration No.(s)

Additional numbers attached? [ ] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Erin O'Brien  
 Internal Address: GRAY CARY WARE & FREIDENRICH  
 401 B Street, Suite 1700  
 San Diego, California 92101-4297

6 Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41) . . . . . \$115.00

[ ] Enclosed

[X] Authorized to be charged to deposit account

8. Deposit account number: 07-1907

(Attach duplicate copy of this page if paying by deposit account)

01/19/2000 DCOATED 700000053 07/1907 75737889

01 FC:481 40.00 CH  
 02 FC:482 75.00 CH

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Erin O'Brien  
Name of Person Signing

*Erin O'Brien*  
Signature

December 22, 1999  
Date

Total number of pages comprising cover sheet: [ 6 ]

Mail Documents to be recorded with required cover sheet information to:  
 U.S. Patent and Trademark Office, Office of Public Records  
 1213 Jefferson Davis Highway, 3rd Floor  
 Arlington, VA 22202

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of December 7, 1999 by and between IMPERIAL BANK ("Bank") and MERLOT COMMUNICATIONS, INC., a Delaware corporation ("Grantor").

### RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement).

B. Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

### AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Bank and Grantor, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

Address of Grantor:

4 Berkshire Blvd., Berkshire Corporate Park  
Bethel, CT 06801

Attn: James Toman

GRANTOR:

MERLOT COMMUNICATIONS, INC.

By: A. W. Toman

Title: VP - FINANCE

Address of Bank:

226 Airport Parkway  
San Jose, CA 95110

Attn: Corporate Banking Center

BANK:

IMPERIAL BANK

By: Karen Dunn, VP

Title: Imperial Bank

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
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EXHIBIT B

Patents

<u>Description</u>	<u>Serial Number</u>	<u>Application Date</u>
Apparatus and Method for Remotely Powering Access Equipment Over a 10/100 Switched Ethernet Network	60/123,688	03/10/99
Method for the Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric Using Ethernet Packets	09/327,929	06/08/99
Method for Initializing and Allocating Bandwidth in a Permanent Virtual Connection for the Transmission and Control of Audio, Video and Computer Data Over a Single Network Fabric	09/328,090	06/08/99
Method for the Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric	09/327,930	06/08/99
Communication Switching Module for the Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric	09/327,928	06/08/99
Local Area Network for the Transmission and Control of Audio, Video, and Computer Data	09/328,104	06/08/99
Integrated Voice and Data Communications Over a Local Area Network	PCT/US/99/12898	09/06/99

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Deterministic Ethernet	75/737,889	06/28/99
Merlot Communications (and Design)	75/636,040	02/08/99
Merlot	75/636,038	02/08/99
MAGNUM	75/777,051	08/16/99